

Chapter 8

“Creating a Buying Vision and Process Energizing the Sales Process”

- Selling in this market requires an understanding and application of a broad range of technology solutions, software applications, consulting, and services offerings.
- Client satisfaction, long-term retention, and a client’s business success are all performance indicators and can be a roadmap to your success.
- Our best potential clients are those with an installed enterprise system (spend about 45% of their IT budget on additional technologies to extend and support the applications).
- **Business Investment Priorities and Drivers**
 - The following are areas were a priority for investment:
 - Infrastructure and security
 - Backup and recovery
 - Standardization of IT processes
 - Streamlining inventory management
 - Forecasting costs
 - Integration and fulfillment management
 - Employee enablement
 - Elements that drive solution decisions that clients require:
 - Corporate consolidations, mergers, and acquisitions
 - Focus on core competencies within any organization
 - Intense focus on expense management and cost reductions
 - Expanded use of incentive management to drive employee performance toward corporate goals
 - Production and sale of a profitable mix of products to clients
 - Requirements to design and launch new products and services fast and more frequently
 - Segmented channel management programs and profitable sales channels
 - Development of virtual manufacturing and distribution capabilities through the extended supply chain
 - Establishment of operational excellence and lean manufacturing programs to reduce production costs
 - Management of spending on the materials and components that go into finished products
 - Minimized risk and improved management control
 - Process management and quality programs
 - Improved client support, fulfillment, and service
 - More responsive and cost-effective relationships with suppliers
 - Improved time to market through collaboration with design partners and suppliers
 - Better information to employees

- Collaboration across the Internet
- Opportunity Identification, Qualification, and Conversion into a Lead
 - Great opportunities start with great sales leads
 - When developing your first client profile, focus on demographics or “hard data” (company size, budget, geographic location, etc.). Also, consider the attitude and values of your best clients (company culture, perception of quality versus quantity, etc.). This list will help you achieve a higher level of success with the least amount of time and effort.
 - Swift funnel: is the process of prioritizing your activity with leads and closing opportunities and then creating new leads.
 - Requires rigorous understanding of your client’s decision-making process (know what your prospects are thinking; know what makes them say “yes”).
 - To achieve a win-win outcome, you must make sure you can create a fit between your solution and your client concept.
 - Funnel management: is the process of qualifying and prioritizing activities with prospects that lead to closing opportunities.
 - Is at the heart of sales excellence.
 - You need a disciplined methodology so that resources are not wasted on unprofitable opportunities.
 - Is a reflection of your ability to consistently identify the right opportunities and to understand the true needs of your prospects – keeps your funnel moving.
 - Strong lead: a potential opportunity where the client’s vital signs are strong and will favor IBM.
 - Vital signs: (good indicators of the likelihood your prospect will take action to buy)
 - A compelling reason to act: There is an acknowledged business urgency to pursue.
 - An IBM unique value: The prospect perceives a differentiation in our relationship and solution approach that meets their needs better than anyone else’s.
 - Support of the key decision leader: You have access to and support of the key player who can make things happen
 - Client benefit value: The prospect perceives high benefit from this solution approach.
 - Clients want an On Demand Business strategy that leverages people, processes, relationships, and technology infrastructure to achieve their revenue goals and expense reductions.
 - During this stage, the Solution Advisor needs to focus on:
 - Preparing with prospecting and demand-generation activities
 - Solution Advisors need to develop or maintain proficiency with:
 - I. Industry trends

- 2. Terminology
 - 3. Directions and issues
- All sellers should:
 - 1. Be conversant in IBM points of view (based on our research and experience with business issues)
 - 2. Maintain an appropriate level of proficiency with current IBM solutions
- Getting to know your client
 - Territory planning helps you to become more familiar with your client set and the possibilities for IBM partnership and solutions to address client needs
 - Team IBM should be familiar with:
 - Scope of the territory
 - Targeted accounts
 - Specific solution areas (CRM, SCM, etc)
 - Specific emerging growth opportunities (wireless applications, digital media, etc.)
 - Specific brand challenges
 - Executive-level business conversation focuses on strategy, goals, and business capability
 - Chances of succeeding are greater when there is a complete understanding of:
 - The client's business
 - IBM points-of-view: Client scenarios that illustrate how similar business issues have been addressed
- On Demand Business Opportunity in the Industries
 - The Solution Advisor
 - Must understand the key industries that are driving the On Demand Business opportunity, industry trends, terminology, and the key IBM plays for those industries.
 - Should understand the critical industry issues and trends. Their goal is to become a trusted advisor to their clients and build teams using IBM and our Business Partner solutions.
 - Banking Industry On Demand Business opportunity (As an On Demand Business, the banking industry will be able to sense and respond to market change.)
 - Benefits for clients:
 - Increased cross sales
 - Improved client insight
 - Integration of delivery channels
 - Improved client service
 - Reduced costs
 - Enhanced ability to develop new products and services

- Key Plays:
 - Core banking
 - Customer Relationship Management
 - Branch automation
 - Document and check imaging
 - Business Intelligence
 - Internet banking
 - ATMs
 - BCS On Demand Business Workshop
- Healthcare Industry On Demand Business opportunity (As an On Demand Business, the healthcare industry is one who processes connect key stakeholders, suppliers, staff, and payers so that all can respond quickly to any demand or opportunity.)
 - Benefits for clients:
 - More staff productivity
 - Improved patient safety
 - Increased revenue
 - Greater client retention
 - Greater staff retention
 - Better quality of patient care
 - Key Plays:
 - Information on demand
 - Human capital solutions
 - Portal broker services
 - Wireless and mobility solutions
 - Finance and administration transformation
 - Strategic outsourcing
 - Payer services offering
- Industrial On Demand Business opportunity (As an On Demand Business, industrial will be able to help clients become more competitive in the global marketplace.)
 - Benefits for clients:
 - Technology investments that are tied closer to business processes and results
 - Technology that becomes more cost-effective to acquire and implement
 - A supply chain that is truly integrated
 - Key Plays:
 - ERP (the backbone solution)
 - SCM, CRM, and PLM-advanced application
 - Wireless and security infrastructure
- Insurance On Demand Business opportunity (As an On Demand Business, insurance will be a fully integrated business process, stretching from end to end

across the company, and that can respond quickly to client demands and market opportunities.)

- Benefits for clients:
 - Better client service
 - Ease of doing business
 - The ability to introduce new products and services faster with greater success
 - The ability to support new products and markets with a flexible infrastructure that scales rapidly to meet market demand
- Key Plays
 - Business Transformation
 - Express portfolio
 - Start Now solutions
 - Business consulting and workshops
 - Insurance Institute for Traffic Safety
 - BI
 - Designing flexible organizations
 - Industry specific solutions
 - Operating Environment
 - IBM eServer and storage
 - Integration middleware, WebSphere Business Integration
 - Resilient infrastructure
 - Open systems (Linux)
 - Flexible Financial and Delivery Offering models
 - On demand hosting
 - Storage on demand
 - Application hosting for various ISVs
 - Total usage financing
- Life Sciences On Demand Business opportunity (As an On Demand Business, life science companies will become more productive – where deep analysis can turn data into life-saving insight.)
 - Benefits for clients:
 - Reduce the costs of IT infrastructure and improve asset utilization
 - Migrate from a fixed cost to a variable cost business structure
 - Increase efficiency and eliminate IT complexity, allowing researchers to focus on core activities
 - Increase productivity with processes that are responsive to new opportunities
 - Improve collaboration and resilience in a 24x7 environment; repel threats and adapt to technical advancement
 - Key Plays:
 - Discovery on demand

- High Performance Computer (HPC) and storage on demand
 - Long-term records management on demand
- Clinical development on demand
 - Electronic data capture on demand
- Regulatory compliance on demand
 - Document management on demand
- Business management on demand
 - ERP on demand
- Retail On Demand Business opportunity (As an On Demand Business, retail will be able to successfully compete in the marketplace.)
 - Benefits for clients:
 - Motivate shoppers, build loyalty, increase wallet share, and streamline store operations to grow top-line revenues
 - Boost employee and store manager productivity, retention, and performance using mobile tools to help them make better decisions on schedule and training
 - Improve margins through higher inventory turns, optimized pricing, and reduce costs by collaborating with key suppliers and internal departments
 - Key Plays:
 - Client-centric retailing (connecting stores to headquarters)
 - On Demand Business workplace (access to human resources, training, pricing, inventory, and key performance indicators)
 - Trading partner collaboration
- Service On Demand Business opportunity (As an On Demand Business, service businesses will be responsive to client needs and stakeholders expectations; helps them to focus on acquiring new clients while servicing existing relationships and helps them to adapt to growing and changing business environments.)
 - Benefits for clients:
 - Increase productivity and work product quality while lowering the cost of doing business
 - Communicate and collaborate more quickly and effectively with clients
 - Ensure client data is always available, secure, and safe
 - Streamline overall IT management and boost staff productivity
 - Key Plays:
 - Document management
 - Knowledge management/information on demand
 - Litigation tools
 - Financial and accounting applications

- Portal, Internet, and extranet
 - Compliance
 - ERP, the backbone solution
 - SCM, CRM, and PLM-advanced applications
 - Wireless and security, infrastructure
- Wholesale On Demand Business opportunity (As an On Demand Business, wholesale companies can respond rapidly to end consumer safety issues and conform to government regulatory requirements. The business establishes a framework for real-time business performance management, business risk management, content management, and data integrity.)
 - Benefits for clients:
 - Optimize inventory to maximize their service level while minimizing carrying cost
 - Maximize profitability by identifying profitable and unprofitable clients and product lines so that they may take action
 - Increase profits by quickly identifying and responding to changes incurred from economic conditions, clients, suppliers, or even the weather
 - Increase revenues by increasing client loyalty and high client satisfaction through operational excellence
 - Reduce operating costs by streamlining business processes through information sharing and collaboration with key suppliers, clients, and internal departments
 - Key Plays:
 - ERP, Business Management System (BMS)
 - SCM, BI, and CRM
 - Wireless and security
- Setting the Client Expectations of Business Value with IBM Solutions
 - To set realistic client expectations, you need to see the world through your client's eyes. Sellers need to understand the client's industry, their business and requirements, and how IBM Solutions will help them.
 - Remember to remain objective.
 - Take time to ask your clients about the business value IBM brings to their business. It then becomes knowledge for you to use to improve and exceed your client's expectations.
 - Employ the following principles to help understand your client:
 - Ethical business practices provide lucrative returns for both you and IBM.
 - Clients appreciate honesty.
 - Establish a clear and detailed roadmap with the client and explain the process that will be followed to overcome the

issues. Verify that the client knows what needs to be done at each step of the way.

- Do not assume that clients have a good understanding of the business value of IBM solutions.
 - It is safer to assume that explanations of IBM solutions and the business benefits are necessary.
 - Provide clients with adequate information, demonstrations, and references of IBM's solutions (otherwise, clients may not invest time to seek information from their busy schedule and may go to a competitor).
- Know your competitors well.
 - It is crucial to understand and identify what the competitor is doing to appeal to these clients and to use that information to your advantage because clients have many options.
- Make specific commitments to your client and exceed on your promises.
 - It is critical to inform the client as soon as possible if something prohibits you from keeping a commitment to the client.
 - Clients appreciate honesty.
- Identifying client pain areas
 - First, discuss with your client the problem that they want to solve (Where can we help the client?).
 - Next, discuss with the client what is keeping them from reaching their goals or causing their company problems.
 - The goal is to identify these pain areas to maximize the client's satisfaction and generate as much revenue as possible from the client.
- Identifying the client's intended strategic direction and business goals using the Signature Selling Methodology (SSM)
 - Signature Selling Methodology:
 - Is Team IBM's common approach to client interactions
 - Helps On Demand Business sellers create value for their clients
 - Is designed to supplement and compliment (not replace) the skills and selling systems of Team IBM.
 - Re-enforces the planning, executing, and managing of sales through seven selling stages. Here are the SSM stages that are used as "reference points" to show where the client is in their buying process and where IBM is in the selling process:
 1. Clients evaluate their business vision, environment, and strategies (the seller has to build relationships through understanding the client).
 2. Clients refine their business strategies and initiatives (the seller needs to leverage the derived relationship-building interactions to explore opportunities with the client).

3. Team IBM must establish the business capabilities and qualify the opportunity further while the client evaluates options (the seller should talk about Team IBM's capabilities).

○ Mapping of IT solutions in line with set business goals

- IT solutions are considered and bought only if it is in line with the company's business objective and can provide the organization a competitive edge in the marketplace.
- Team IBM should have a clear understanding of the following areas before recommending the appropriate IBM solution:
 - Company's vision
 - Company's primary business goals and objectives
 - Company's key operating goals and initiatives for the current year
 - The business unit goals and objectives
 - Timeframe for implementation completion
- Once the seller understands, he or she should assemble a team within IBM that is knowledgeable and has experience in resolving similar client business challenges. Team IBM works together and recommends a solution that supports current and future business goals and also maximizes the benefits of the existing technology.
- Smart growth and better use of technology to directly support the company's needs give the On Demand Business seller the chance to identify additional opportunities to fulfill the client's goals.
- If clients are successful by using IBM technology, then IBM will be successful.

○ IBM Technical Resources

- IBM's help desks and phone support are extensive and invaluable in designing solutions for clients (ex. Techline: a group of IBM professionals that provide phone support to IBM and non-IBM sales representatives for the purpose of helping them to sell more IBM solutions. You save time and optimize your solution design).
- A resource that can provide assistance in your sales cycle is IBM Redbooks Website:
 - <http://www.redbooks.ibm.com/>
 - It provides an extensive library consisting of technical manuals and IBM Redpapers that discuss all types of IBM solutions and technologies.
 - Can help to answer client's questions or help you to design your own On Demand Business solution.
- Consulting an expert within IBM
 - Can help you address concerns about your On Demand Business solution.

○ Proposing the Solution

- After creating a proposal for how to help solve the client's problem(s), you are ready to present a low level presentation of the solution to the client.
- Your proposal must consist of all the hardware, software, and service pieces that you consider crucial to the solution. Be aware of your client's budget and the scope of the solution.
- IBM has many options (relating to financing, business consulting, and learning services for skill enhancement) for you to consider as part of your final solution.
- Use both your knowledge of the solution to assemble your proposal and your knowledge of the client.
- Choose and highlight pieces of the solution that are most crucial to solving the client's problems.
- Identifying costs, responsibilities, and critical factors
 - Steps:
 1. Identifying the associate costs for hardware, software, services, and maintenance
 - a. All of the hardware costs may not be upfront, so it is important to obtain a target price for monthly or extended hardware maintenance so that a client can plan for these costs – it is also the same for software.
 - b. Make sure to tell the client about which services at what cost will be delivered.
 2. Determining who is responsible for implementing these technology pieces
 - a. For hardware, who will set it up? IBM or the client? If it is the client, make sure they are aware of this – also the same for software.
 - b. Client participation is critical in this step.
 3. Identifying the critical factors associated with integrating all of these pieces
 - a. Identify the peak points of your client's expectations.
- Following the On Demand Business roadmap
 - It is important that the seller schedules meetings with the client and Team IBM to determine the client's business requirements, where the client is on the On Demand Business roadmap, and where they want to go.
 - Team IBM can resolve the client's business issues in line with their business transformation, business processes, or on demand operating environment.
 - Where the client enters the On Demand Business roadmap and where they want to take their business determines the appropriate solution.
- Preparing the proposal

- The seller should create proposals that demonstrate to the client that IBM understands:
 - The business problems they are trying to solve
 - That the solution that IBM is proposing will solve those problems
- This skill includes the ability to perform the following activities:
 - Develop an effective proposal strategy that responds to client requirements, issues, and priorities. The strategy should also address IBM's strengths and reflect an understanding of the client's conditions of satisfaction and fulfillment.
 - Create proposal content that implements the proposal strategy and is easy to understand – includes the effective use of techniques (theme statements, visuals, summaries, etc.).
 - Create a professional document that presents a positive branding image and is easily recognizable as an IBM proposal.
- You should make business proposals “client-centric” meaning that the client should feel that the proposal is written to them rather than down at them – the whole proposal should revolve around client needs.
- Here are some questions to help you write a proposal that will place the client in the center:
 - What is the business challenge?
 - State the client's business issue(s) – you shouldn't proceed unless you can
 - What does this business issue need for us to resolve it?
 - With the client, determine the reasons for seeking a solution for their business challenges.
 - What business goals must be accomplished?
 - There are three types of goals to address:
 1. Strategic goals: include issues such as human resources strategies, building brand recognition, mandatory government legislation, marketing drives, and responding to public perception about the agency's product or services
 2. Business goals: address how to increase productivity, become more efficient, streamline operations, automate business process, and leverage product lines
 3. Technical goals: encompass aligning business and technical processes, improving quality, enhancing products, and using emerging technologies
 - By understanding these goals, you can write your proposal from a position of strength which gives you an advantage over your competitors.

- Visit the client's Web site or download a recent annual report to identify long-term objectives. This will give you an inside track into their strategic business drivers.
- What business challenges have the highest priority?
 - You should document all of your client's issues and objectives and make a list ranking the top five in order of priority, then write your response based on the list.
- Which products or services can achieve these goals?
 - Use Team IBM and industry and technical resources to map (in a client friendly manner) the client's goals with the recommended IBM solution.
- What results can follow each of your recommendations?
 - The recommended solution needs to be verified with credibility (through using market research, analyst reports, etc.).
 - Try to avoid using absolute statements in your proposal because a proposal is a legally binding document. Try covering these areas:
 - Why the technical resources that you are recommending are the best qualified to implement the recommendations in the proposal
 - How the recommendation or recommendations help the client attain their most important goals
 - Barriers to implementing the recommendations
 - IBM client references who have successfully implemented the recommended solution
 - The costs involved in achieving the client's goals and the estimated project timeframes
 - The consequences if the client chooses not to act on these recommendations in the proposal
 - After completing the proposal, step back and make sure it is clear.
 - Try to write the first draft well before the delivery deadline date – re-read it to see which parts are clear and need to be re-written.
 - After sending the proposal, solicit to the client for feedback.
- Presenting finance alternatives if required
 - Financing frees up client's capital for other investments.
 - Clients look for service at the lowest possible cost and the highest return on investment (ROI).
 - IBM Global Financing is one of IBM's most powerful weapons. IBM Global Financing:

- Offers benefits that few rivals can compete against.
 - Enables clients to pay for their new technology in affordable, monthly payments during the life of the project.
 - Offers financing for the full range of IBM and non-IBM hardware, software, and services.
 - Finances refurbished IBM hardware.
 - Works directly with clients and also with IBM Business Partners to provide financing for their clients and to help them build their own businesses.
 - Can assist and provide solutions in asset management, leasing and lending, international financing, and remarketing or refurbishing.
- Responding to common client objections
 - By properly identifying the opportunity and involving the Sales Support Center, the odds of delivering a solution to the client's satisfaction increase dramatically.
 - To overcome client's objections, leverage IBM's own global transformation experience.
 - If you can't address a client's objections, contact IBM Sales Support Center (SSC) for assistance.
 - Here are some common client objections and how to address them:

Objection	What to do or say
When I do business with IBM, it's like doing business with 160 different companies.	In the past, IBM had a cumbersome global sales process. However, that process has been extensively refined and streamlined so that clients can work with a single opportunity owner.
The account team in the United States promised us that certain capabilities would be available worldwide, but the IBM specialist we spoke with at our European headquarters said that the capability was not available there.	Some services capabilities may not be readily available in all countries (regions), but IBM will make every effort to meet global clients' requirements by obtaining resources from other countries (regions) or subcontracting to IBM Business Partners.
Your prices vary from country to country (region to region) for essentially the same product.	Tariffs, taxes, labor rates, import duties, and other cost variables account for pricing differences. The SSC can help in explaining these differences to your client.
Does my company have to order IBM products within the country (region) that they will be used?	IBM has a centralized ordering process available. You can order your products centrally, but they will be purchased locally to ensure that your warranties and service are intact.
Will I get consistent service levels internationally?	IBM has developed a world-class service organization and has a worldwide set of services offerings available. There may be instances where service delivery varies. Just as in remote areas of your own country (region), remote areas around the world may not deliver service in exactly the same way. Be sure to review any variances with the client in advance.
Why can't I buy the products at my headquarter locations and then ship them internationally to other locations?	This sounds like a simple solution but actually creates numerous problems. This may void warranty service by transporting products out of the country (region) in which they were purchased. Additionally, excessive import duties and shipping charges may be incurred.
My company has been operating locally forever and it seems to work. The last thing I want to do is have one central IT office that makes decisions for the entire global organization.	Although a centralized IT structure may not be wanted, perhaps having common systems globally would be an advantage. In this situation, each IT infrastructure is managed locally, but they all use the same components. This can help control pricing and streamline services.

- Responding to the Competition
 - Competition can help your sale two ways:
 1. It is easier to get a decision from clients when they have a choice between solution A and solution B rather than between solution A and nothing.
 2. Competition helps to keep you prepared, so your selling can actually improve.
 - Here are some ways to put your competition to work for you and beat them at the game of business:
 - Learn your solution well
 - Obtain as much information as you can from your competitor by learning about their solution, price, location, promotion, management, and financial position.
 - Identify the weaknesses of your competitors
 - The most effective way to evaluate a competitive solution is to pose as a client and ask for job rates, delivery schedules, terms of payment, discount policies, warranties, or guarantees – then evaluate your experience.
 - You can also talk to clients and suppliers of your competitor.
 - When you know where your competitor is vulnerable, you can concentrate on the superior features that you have to offer.
 - “Trump cards” – writing down those vulnerable points and writing your strong points next to them.
 - Determine your vulnerable spots
 - Knowing your weak points forces you to seek ways to improve them or compensate for them.
 - If they are subject to improvement, then take time and effort to rectify them.
 - Understanding your weaknesses can help you to identify what is unique about your business and help you target what will benefit your client.
 - Expect disagreements and objections
 - Find out what your clients may find objectionable about your solution.
 - It may not be direct, but can be picked up on through certain questions they ask you.
 - Have facts to refute their objections.
 - Leverage your competitor’s strength
 - You need to be able to convince your client that your sale is superior in order to win the sale over your competition.
 - Know what makes your clients buy

- Look for clues to determine what factors weight heavily on your client (what do they say about your competition?)
- Be enthusiastic and self confident
 - Visit the competitor and make comparisons between solutions. This will help regain enthusiasm.
- Improve your closing techniques
 - A prospect may be undecided between you and a competitor, so your job is to tip the scale in your favor.
- Learn from the mistakes of others
- Be on the lookout for good ideas
 - Good ideas are everywhere if you just know where to look
 - You can benefit from a rival's mistakes, but also their successes. Be alert
 - Competition can work for you, not against you